

SENATE ETHICS REFORM & GOVERNMENT
OPERATIONS COMMITTEE
SENATE BILL 372
January 23, 2008

Chairperson Risser and members of the committee, thank you for the opportunity to appear before you this afternoon. I am here today in support of SB 372. Before I provide you with a brief summary of the bill I'd like to give you a recap of why this bill is before you today.

As many of you are aware, UWHC prior to 11 years ago was a state agency. At that time Chancellor Donna Shalala and Governor Tommy Thompson proposed that UWHC become a public authority. The legislature concurred and in 1996 UWHC became a public authority under state statutes, Chapter 233.

Since that time UWHC has become a nationally recognized institution receiving numerous patient care and quality awards along with maintaining strong fiscal integrity. UWHC currently employs approximately 7,000 employees and serves patients throughout the state and country.

This chapter along with other cross references spelled out quite specifically the governance structure, duties and responsibilities and bonding authority for UWHC. None of these statutes have been modified since the authority was

created. The UWHC Board identified key areas they felt should be modified to assist in a smoother running operation. This was originally included in the state budget but as Representative Rhoades mentioned was vetoed by Governor Doyle. We have worked with the Department of Administration and believe this bill balances the needs of UWHC with the concerns expressed in the veto message. Here is a summary of the key changes:

The most significant change has to do with how UWHC increases its bonding authority. Currently, to increase our bonding authority requires UWHC to initiate legislation because the bonding authority cap is set in statutes. This has proven to be a cumbersome and time consuming process. You may recall two sessions ago you passed a bill increasing our bonding authority which allowed us to build a new children's hospital. UWHC issues its own bonds; we do not go through the State Building Commission and the statutes specifically state that the state is not liable on these bonds. We have to meet the specific criteria developed by the bond houses of Moody's and Standard & Poor's. This bill repeals the bonding cap provision and replaces it with a review process by the Joint Committee on Finance and the Department of Administration.

The second significant change relates to the composition of the UWHC Board. There are currently 13 voting members provided for in statute. SB 372 expands that number to 16 by adding three additional public members

appointed by the Governor and approved by the Senate. There are currently three public members and the Board feels that more involvement from the communities we serve is needed. Current law states each co-chair of the Joint Committee on Finance or their designee from the committee shall be voting members. The bill modifies this section by stating that the designee can be from the legislature. During budget years it is difficult for Finance members to attend our regularly scheduled monthly meetings. This simply allows the co-chairs greater flexibility when deciding who should serve. The bill also increases the terms of public members from three years to five. UWHC is a complex organization and often times when a public member is just beginning to understand the intricacies of the operations, their term has expired.

Lastly, the bill eliminates the word "comprehensive" under the duties section. As some of you may know, UWHC does not deliver babies and as such the word comprehensive is not valid and ought to be deleted. There other changes under this bill and I would be happy to answer any questions. Thank you.

(6) ENVIRONMENTAL EDUCATION BOARD. (a) *Creation.* There is created an environmental education board attached to the University of Wisconsin System under s. 15.03.

(b) *Members.* The environmental education board shall consist of the following members:

1. The state superintendent of public instruction.
2. The secretary of natural resources.
3. The president of the University of Wisconsin System.
4. The director of the technical college system.
5. One majority and one minority party senator and one majority and one minority party representative to the assembly, appointed as are the members of standing committees in their respective houses.
6. One member, appointed for a 3-year term by the president of the University of Wisconsin System, to represent each of the following:
 - a. Elementary and secondary school environmental educators.
 - b. Conservation and environmental organizations.
 - c. Business and industry.
 - d. Agriculture.
 - e. Labor.
 - f. Faculty of public and private institutions of higher education.
 - g. Nature centers, zoos, museums and other nonformal environmental educational organizations.
 - h. Forestry.
 - i. Energy industry.

(c) *Designees.* Members of the board under par. (b) 1. to 4. may appoint designees to serve on the board, if the designee is an employee or appointive officer of the agency who has sufficient authority to deploy agency resources and directly influence agency decision making.

History: 1971 c. 323; 1973 c. 335; 1975 c. 39; 1977 c. 29 s. 1650m (2); 1977 c. 203, 418; 1979 c. 34 s. 50m; 1981 c. 346; 1985 a. 29; 1989 a. 20; 1989 a. 31 ss. 60m, 98e; 1991 a. 25; 1993 a. 27; 1995 a. 27 ss. 112b, 112e, 112d, 112b, 9126 (19); 1995 a. 227; 1997 a. 27 ss. 75m, 94c to 94m; 1997 a. 237 s. 722p; 1999 a. 107; 2001 a. 16; 2005 a. 404; 2007 a. 20 s. 9121 (6) (a).

15.94 Technical college system board; creation. There is created a technical college system board consisting of 13 members. No person may serve as president of the board for more than 2 successive annual terms. The board shall be composed of:

(1m) The state superintendent of public instruction or the superintendent's designee.

(2) The secretary of workforce development or the secretary's designee.

(2m) The president, or by his or her designation another member, of the board of regents of the University of Wisconsin System.

(3) One employer of labor, one employee who does not have employing or discharging power, one person whose principal

occupation is farming and who is actually engaged in the operation of farms and 6 additional members appointed for 6-year terms.

(4) One student enrolled at least half-time and in good academic standing at a technical college who is at least 18 years old and a resident of this state, for a 2-year term. The governor may not appoint a student member from the same technical college in any 2 consecutive terms. If the student member loses the status upon which the appointment was based, other than through graduation, he or she shall cease to be a member of the board.

History: 1971 c. 100; 1977 c. 29; 1979 c. 32; 1981 c. 269; 1985 a. 29; 1991 a. 29, 68; 1993 a. 399; 1995 a. 27 ss. 222, 9130 (4); 1995 a. 78; 1997 a. 3, 161.

A member of a vocational, technical and adult education (technical college district board) local district board cannot serve as a state board member. 60 Atty. Gen. 178.

15.945 Same; attached board. (1) EDUCATIONAL APPROVAL BOARD. There is created an educational approval board which is attached to the technical college system board under s. 15.03. The board shall consist of not more than 7 members, who shall be representatives of state agencies and other persons with a demonstrated interest in educational programs, appointed to serve at the pleasure of the governor.

History: 1997 a. 27; 1999 a. 9 s. 40g; Stats. 1999 s. 15.495; 2005 a. 25 s. 56; Stats. 2005 s. 15.945.

15.96 University of Wisconsin Hospitals and Clinics Board; creation. There is created a University of Wisconsin Hospitals and Clinics Board. The board shall consist of the following members:

(1) Three members nominated by the governor, and with the advice and consent of the senate appointed, for 3-year terms.

(1m) Each cochairperson of the joint committee on finance or a member of the committee designated by that cochairperson.

(2) Three members of the board of regents appointed by the president of the board of regents.

(3) The chancellor of the University of Wisconsin–Madison or his or her designee.

(4) The dean of the University of Wisconsin–Madison Medical School.

(5) A chairperson of a department at the University of Wisconsin–Madison Medical School, appointed by the chancellor of the University of Wisconsin–Madison.

(6) A faculty member of a University of Wisconsin–Madison health professions school, other than the University of Wisconsin–Madison Medical School, appointed by the chancellor of the University of Wisconsin–Madison.

(7) The secretary of administration or his or her designee.

(8) Two nonvoting members appointed by the governor, one of whom shall be an employee or a representative of a labor organization recognized or certified to represent employees in one of the collective bargaining units specified in s. 111.05 (5) (a) and one of whom shall be an employee or a representative of a labor organization recognized or certified to represent employees in one of the collective bargaining units specified in s. 111.825 (1m).

History: 1995 a. 27, 216.